

Figure 1

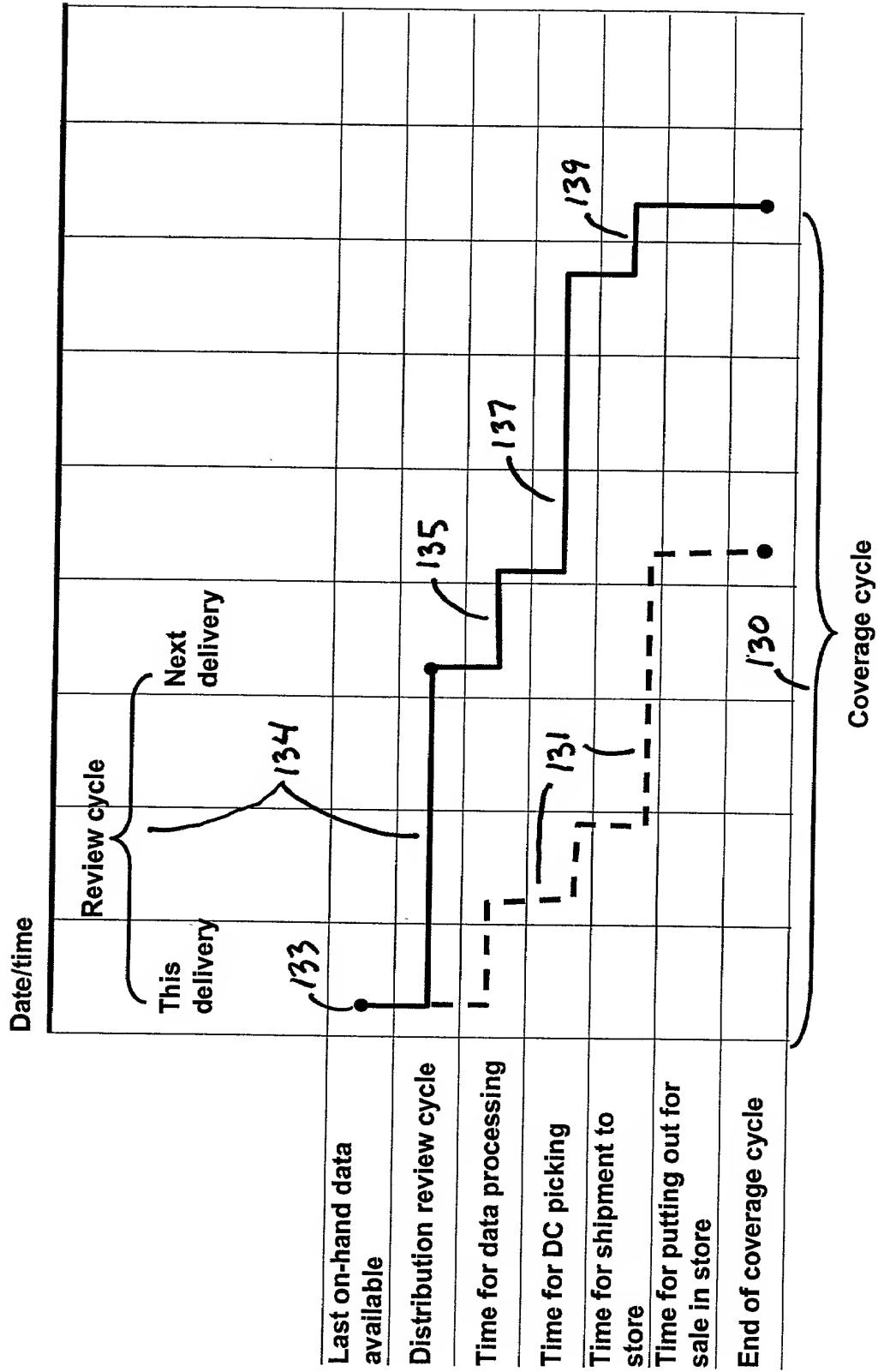


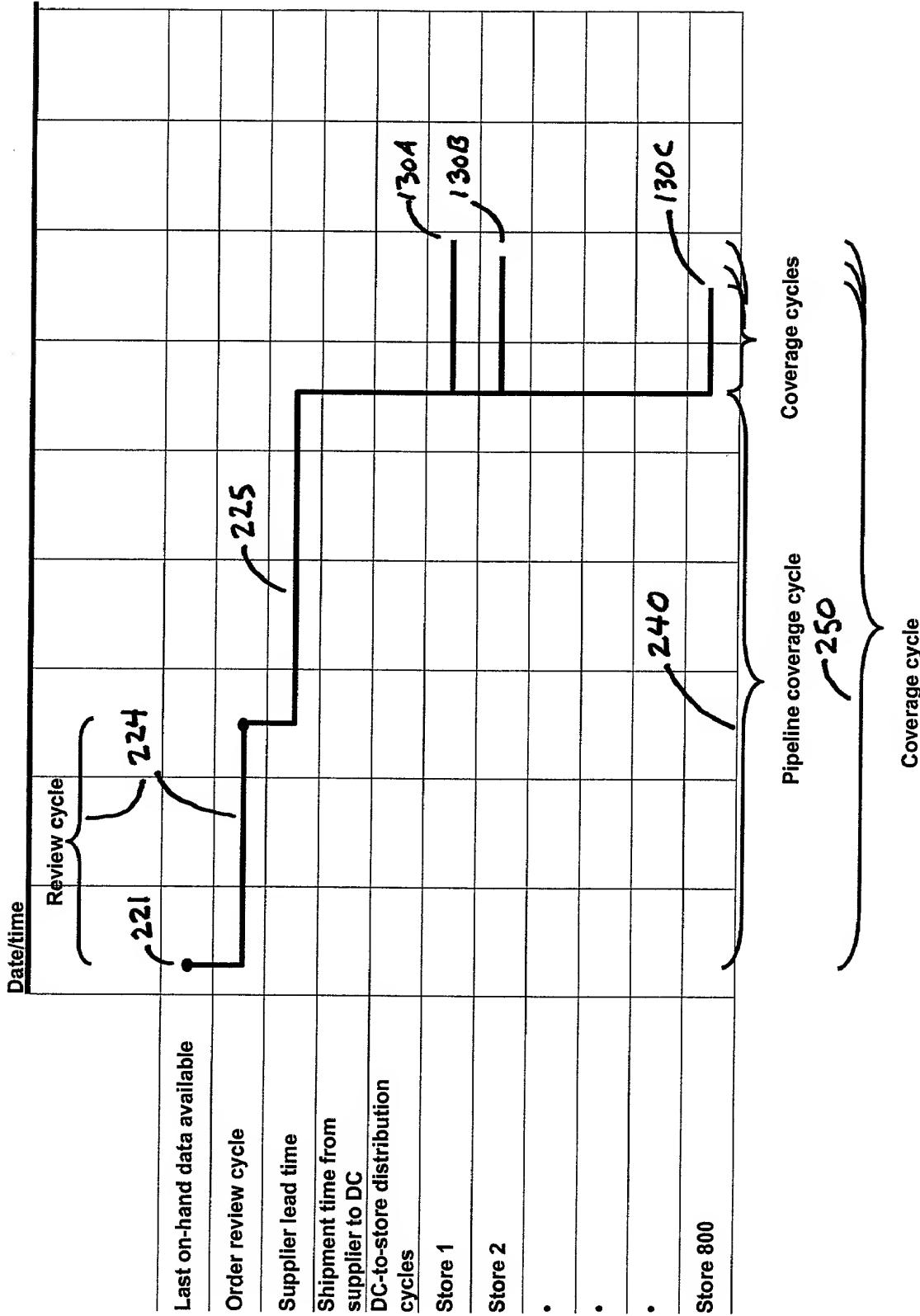
Figure 2

Figure 3

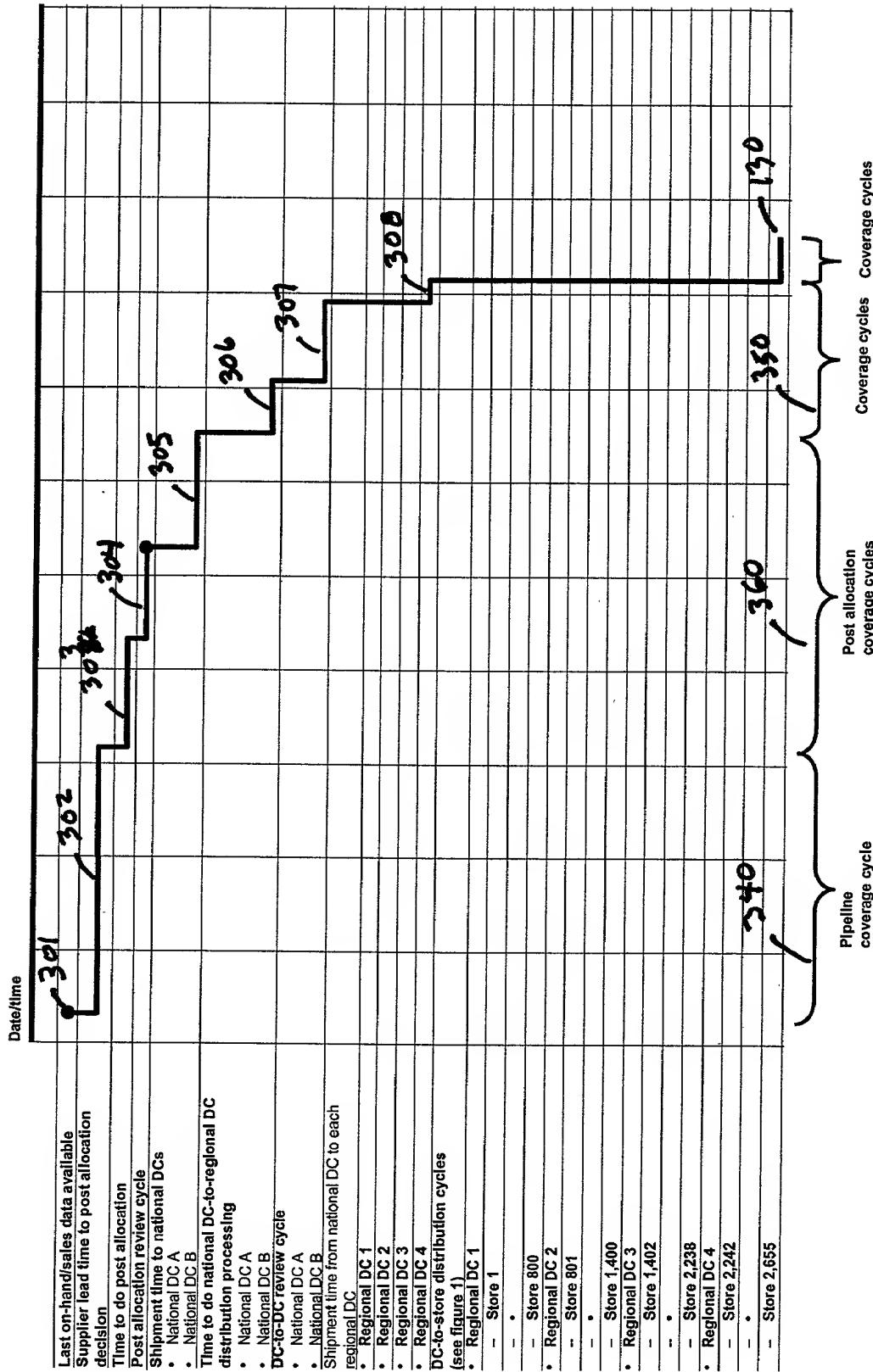


Figure 4

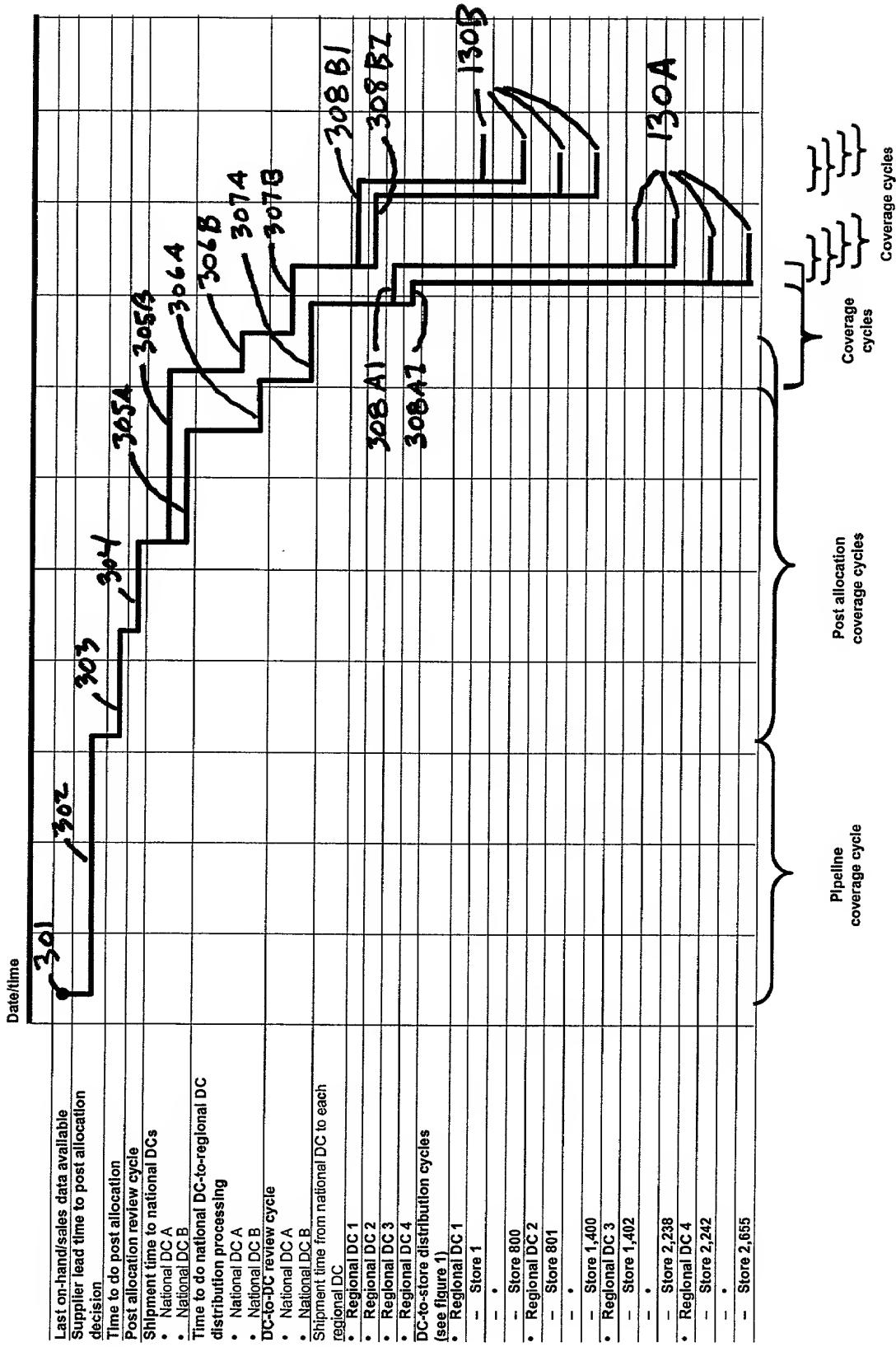


Figure 5

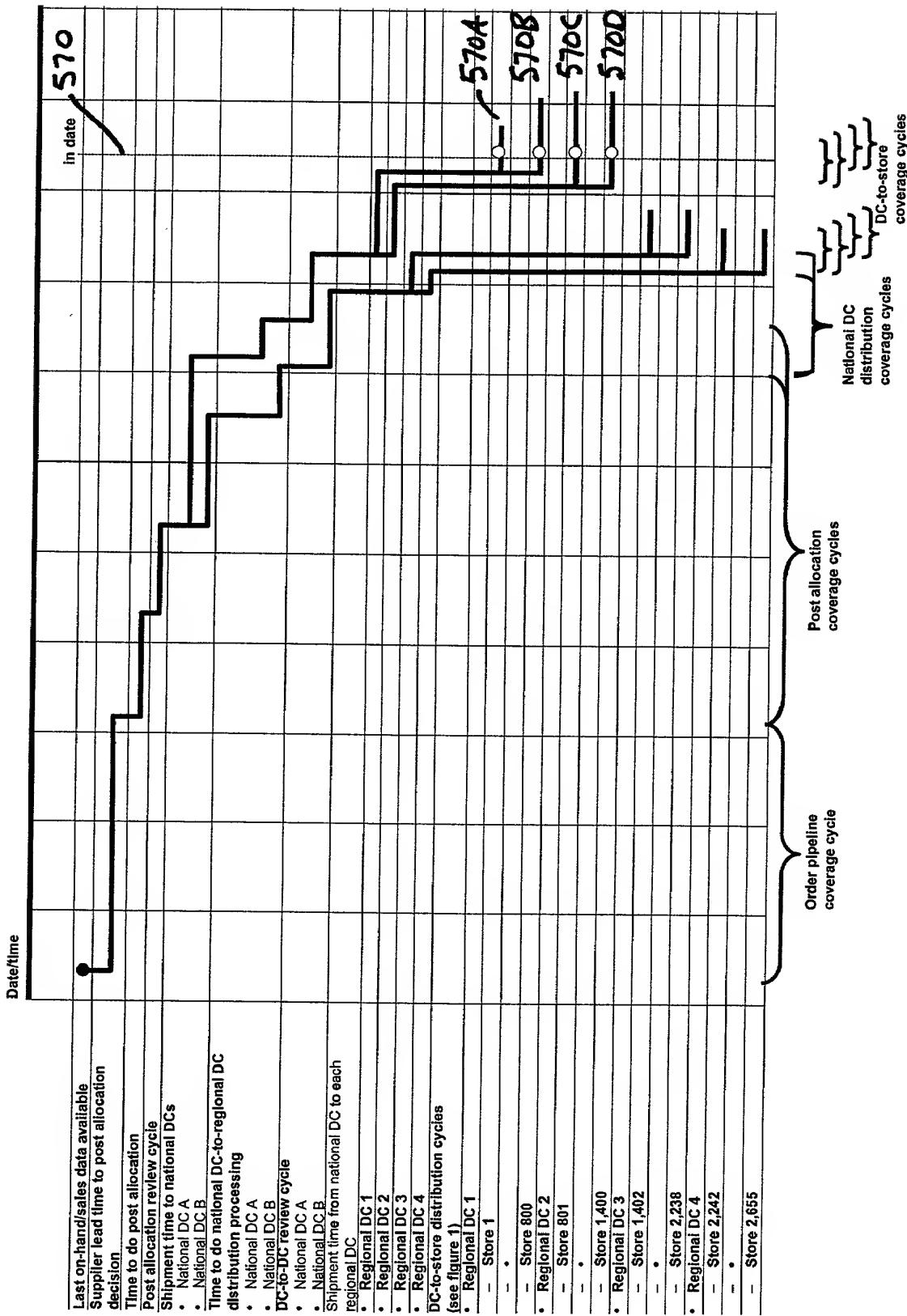
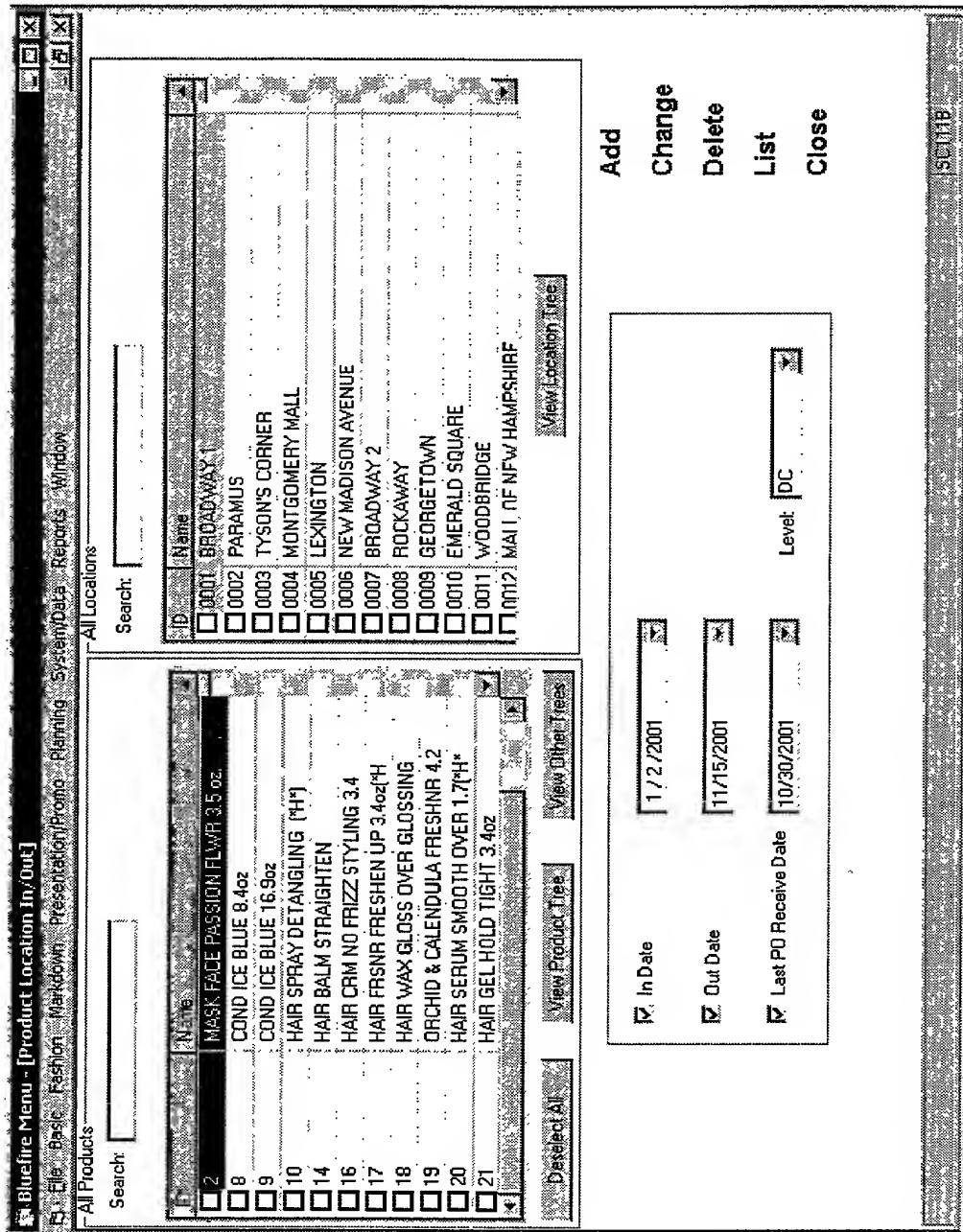


Figure 6



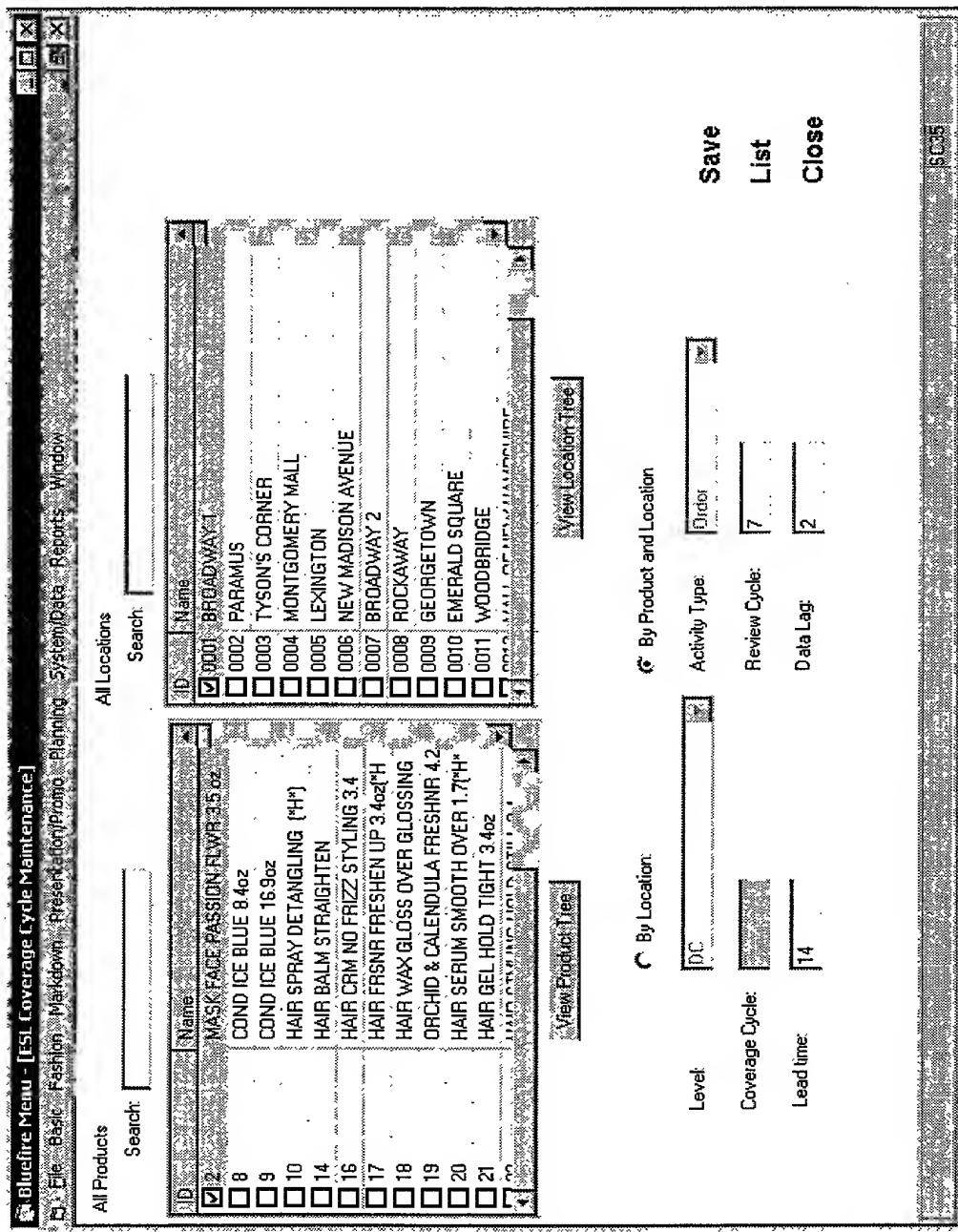


Figure 7

Figure 8

FORECAST STOCKOUT CORRECTION EXAMPLE - SINGLE STORE																		
	Day 0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	Total
Coverage cycle	=	17 days																
Coverage cycle forecast sales	=	25 units (pre stockout correction)																
Store starting on hand	=	5 units																
Store starting in transit	=	0 units																
On hand (end of day)	5	4	3	2	1	0	0	0	0	0	0	0	0	0	0	0	0	
In transit (end of day)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Distribution arrival (beginning of day)												XX						
Forecast sales (100% instock)	1	1	1	1	1	1	1	1	1	2	2	2	3	3	1	1	1	
Forecast sales (stockout corrected)	1	1	1	1	1	0	0	0	0	0	0	0	0	0	1	1	1	
															1	1	1	
															25	16		

Figure 9

FORECAST STOCKOUT CORRECTION EXAMPLE - SINGLE STORE WITH BACKORDER CONVERSION																				
	Day	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	Total
Coverage cycle	=	17 days																		
Coverage cycle forecast sales	=	25 units (pre stockout correction)																		
Store starting on hand	=	5 units																		
Store starting intransit	=	0 units																		
Stockout to backorder conversion	=	33 percent																		
On hand (end of day)		5.0	4.0	3.0	2.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Intransit (end of day)		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Distribution arrival (beginning of day)																				
Forecast sales (100% instock)		1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.0	1.0	1.0	1.0	1.0	25.0	
Forecast sales (stockout corrected)		1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.0	1.0	1.0	1.0	16.0	
Forecast sales (with backorder conversion)		1.0	1.0	1.0	1.0	0.3	0.7	0.7	0.7	0.7	0.7	3.0	3.0	3.0	1.0	1.0	1.0	1.0	19.0	
Forecast sales (with backorder conversion and backorder delivery lag)		1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	3.0	3.0	3.0	1.0	1.0	1.0	1.0	19.0	

Figure 10

Figure 11
Order pipeline coverage cycle

